

Federal Personnel Manual System**FPM Letter** 591 -32Published in advance
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RETAIN UNTIL SUPERSEDED**SUBJECT:** Nonforeign Area Cost of Living Allowance for the
Federal Housing Allowance Categories in Hawaii
and the Virgin Islands Allowance Areas

Washington, D. C. 20415

February 20, 1979

Heads of Departments and Independent Establishments:

Introduction

The Office of Personnel Management has completed its review of the cost of living allowances for the Federal Housing allowance categories in Hawaii and the Virgin Islands. The allowance is paid to eligible employees under 5 U.S.C. 5941, Executive Order 10500, and part 591 of the Office's regulations. This letter announces the results of the 1978 review.

Approved Allowance Rates

The allowance rates approved for each allowance area and category based on the 1978 review are shown in the attachment to this letter.

Additional Information

The 1978 survey results for the Private Housing allowance categories are contained in FPM Letter 591-29 for Hawaii and in FPM Letter 591-30 for the Virgin Islands. The cost data provided by agencies on Federal housing units in Hawaii and the Virgin Islands were not considered adequate for review purposes. Accordingly, a supplementary survey was undertaken. This FPM Letter announces the results of the supplementary survey.

Effective Date of Allowance Rate Adjustments

The effective date of the adjustments as shown in the attachment is the first pay period that begins on or after February 25, 1979.

General Information

Agencies are requested to inform employees in the pertinent areas of the actions approved concerning the cost of living allowance program. When doing so they should advise employees that the allowance rates are subject to change, up or down, after each review. It is also important that they understand that the law does not provide for an allowance to compensate for increases in the cost of living, as such. Rather, the law provides for an allowance to compensate for the differences in living costs between Washington, D.C., and the nonforeign areas when living costs are substantially higher than in Washington, D.C.

Cost of living allowances authorized for nonforeign areas are payable in accordance with part 591 of the regulations of the Office of Personnel Management.

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Attachment

Inquiries: Office of Allowances and Special Rates, Compensation Division, ext. 28742 or 63-23742

Code: 591, Allowances and Differentials Payable in Nonforeign Areas

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This attachment shows the cost of living allowance rates for Federal Housing allowance categories in Hawaii and the Virgin Islands. It also includes definitions of the allowance categories for use in determining employee eligibility for an allowance.

The Private Housing allowance category indexes and allowance rates are contained in FPM Letter 591-29 for Hawaii and FPM Letter 591-30 for the Virgin Islands.

GEOGRAPHIC COVERAGE/
ALLOWANCE CATEGORY

INDEX

ALLOWANCE
RATE

State of Hawaii

ISLAND OF OAHU

<u>Allowance Category</u>	<u>1978 Index</u>	<u>Authorized Allowance Rate</u>
Local Retail/ Federal Housing	105.4	5.0%
Commissary/PX/ Federal Housing	91.5	-0-

ISLAND OF KAUAI

<u>Allowance Category</u>	<u>1978 Index</u>	<u>Authorized Allowance Rate</u>
Local Retail/ Federal Housing	107.4	7.5%
Commissary/PX/ Federal Housing	106.9	7.5%

ISLAND OF MOLOKAI

<u>Allowance Category</u>	<u>1978 Index</u>	<u>Authorized Allowance Rate</u>
Local Retail/ Federal Housing	105.8	5.0%
Commissary/PX/ Federal Housing	None*	-

ISLAND OF MAUI AND ISLAND OF LANAI

<u>Allowance Category</u>	<u>1978 Index</u>	<u>Authorized Allowance Rate</u>
Local Retail/ Federal Housing	110.6	10.0%
Commissary/PX/ Federal Housing	None*	-

ISLAND OF HAWAII

<u>Allowance Category</u>	<u>1978 Index</u>	<u>Authorized Allowance Rate</u>
Local Retail/ Federal Housing	106.3	7.5%
Commissary/PX/ Federal Housing	None*	-

Virgin IslandsST. CROIX

<u>Allowance Category</u>	<u>1978 Index</u>	<u>Authorized Allowance Rate</u>
Local Retail/ Federal Housing	95.7	-0-
Commissary/PX/ Federal Housing	None*	-

ST. THOMAS AND ST. JOHN

<u>Allowance Category</u>	<u>1978 Index</u>	<u>Authorized Allowance Rate</u>
Local Retail/ Federal Housing	96.8	-0-
Commissary/PX/ Federal Housing	None*	-

* The word "none" means that the allowance category does not exist in the allowance area and the appropriate local retail index and allowance rate applies depending on the type of housing occupied.

Definitions of Allowance Categories

The following definitions of the various allowance categories identified in the tables in this attachment shall be used in determining employee eligibility for the appropriate allowance rate:

<u>Allowance Category</u>	<u>Definition</u>
Local Retail/ Private Housing	This category includes those Federal employees who purchase goods and services from private retail establishments and who occupy housing units that are privately owned or rented. It also includes those employees who do not fall into one of the other allowance categories.
Local Retail/ Federal Housing	This category includes those Federal employees who purchase goods and services from private retail establishments and who occupy, as a condition of their Federal civilian employment, housing units that are owned or leased by a Federal agency.
Commissary/PX/ Private Housing	This category includes those Federal employees who have unlimited access to and who use military commissary and exchange facilities stemming from their Federal civilian employment and who occupy housing units that are privately owned or leased.
Commissary/PX/ Federal Housing	This category includes those Federal employees who have unlimited access to and who use military commissary and exchange facilities stemming from their Federal civilian employment and who occupy, as a condition of their Federal civilian employment, housing units that are owned or leased by a Federal agency.

Note: Eligibility for access to military commissary and exchange facilities is determined by the appropriate military department. If an employee is furnished commissary/exchange privileges for reasons associated with his or her Federal civilian employment, he or she will have an identification card that authorizes access to the facilities. Possession of such an identification card i.e., one issued by reason of his or her Federal civilian employment, is sufficient evidence that the employee uses the facilities. Similarly, the fact that an employee who has been authorized to occupy a Federally owned or leased housing unit as a condition of his or her Federal civilian employment actually occupies the unit is evidence that the unit is "used".

Agencies should adopt whatever methods are appropriate to obtain from employees the information needed to determine the applicable allowance category.

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